FIGHTING

UNEMPLOYMENT

INSURANCE FRAUD

How Employers Can

Help With SIDES

April 2018

SIDES and SIDES E-Response

General SIDES Information

The State Information Data Exchange System (SIDES) is a web based system that allows electronic transmission of information requests from UI agencies to employers and/or Third-Party Administrators. It also allows for the transmission of replies containing the requested information back to the UI agencies.

There are two ways employers can utilize SIDES. For employers/TPAs with a limited number of UI claims, SIDES E-Response is an easy to use website that can be used to enter and receive the requested UI information. For large and/or multi state employers, SIDES utilizes a computer interface which may be more appropriate as it allows employers to customize their systems to interface with SIDES. This option requires the employer/TPA to do programming.

Currently, the Illinois Department of Employment Security (IDES) uses both SIDES and SIDES E-Response for Notice of Claims processing. Starting in June 2018, IDES will begin to use SIDES and SIDES E-Response for Earnings Verification processing as well.

Additional SIDES and SIDES E-Response information is included in this document. If you have questions, please contact the IDES Employer Hotline at 1-800-247-4984. If you already have a MyTax Illinois account, you can easily begin the SIDES registration process at **mytax.illinois.gov**.

Additional Information Included

- ✓ SIDES and SIDES E-Response Comparison Table
- ✓ SIDES and SIDES E-Response Fact Sheet
- ✓ SIDES and SIDES E-Response Frequently Asked Questions
- ✓ SIDES E-Response Fact Sheet
- ✓ SIDES Fact Sheet

SIDES and SIDES E-Response Comparison Table

SIDES and SIDES E-Response have the potential to significantly improve the unemployment insurance (UI) information exchange process. While the best option depends on the specific needs of an employer, both options offer an impressive array of benefits.

As of March 2018, 47 states are using SIDES and SIDES E-response.

Benefits of SIDES and SIDES E-Response

- Available for FREE
- Saves time and money
- Reduces staff time
- Reduces paperwork
- Helps keep UI tax rates as low as possible
- Helps reduce overpayments
- Provides an electronic, nationally standardized data format
- Includes data checks to ensure the exchange of complete and valid information
- Reduces follow-up requests and phone calls

	SIDES E-Response	**SIDES**
How it Works	**A secure website** through which employers and third party administrators (TPAs) submit electronic responses to UI information requests. Employers and TPAs receive a request for UI information from the participating state UI agency by mail or **secure email** that includes a PIN to log on to SIDES E-Response and enter the requested information in a **standard format**.	An automated **computer-to-computer interface** for employers and TPAs to receive and respond electronically to UI information requests. Information requests from the state and responses from employers are all in the same **standard format**. SIDES produces performance metrics and provides audit controls.
What it Requires	- A working internet connection - An employee who will enter the requested UI information - NO programming is required to implement - NO charge for its use	- Internal IT system integration *technical support is available* - NO other costs for using SIDES
Best Suited For	Employers and TPAs with a limited number of annual UI claims.	Employers and TPAs who typically handle a **large volume** of UI information requests or **multi-state** employers and TPAs.

To register for SIDES, please contact the IDES Employer Hotline at 1-800-247-4984

Or visit the IDES SIDES website at www.ides.illinois.gov/SIDES

SIDES and SIDES E-Response Fact Sheet

The Problem

Responding to paper-based unemployment insurance (UI) information requests fully and within tight state deadlines creates a significant and costly administrative burden on companies, putting a strain on the bottom line.

This problem is compounded for employers and third-party administrators (TPAs) with operations in multiple states, since – until recently – no single national standard existed to help states and employers easily and electronically exchange key information about UI claims.

The Solution

Developed through a strategic partnership between the U.S. Department of Labor (USDOL) and state UI agencies, the National Association of State Workforce Agencies' (NASWA) **State Information Data Exchange System (SIDES)** and **SIDES E-Response** offer employers and TPAs – *free of charge* – a secure, electronic and nationally-standardized format in which they can easily respond to UI information requests, attach documentation when needed and receive a date-stamped confirmation of receipt.

Now, employers and TPAs in states implementing the SIDES and SIDES E-Response systems can:

- adopt an electronic standardized format to better anticipate,
- supply the data needed for UI information requests,
- reduce follow-up phone calls,
- streamline their UI response processes,
- reduce paperwork while saving time and money.

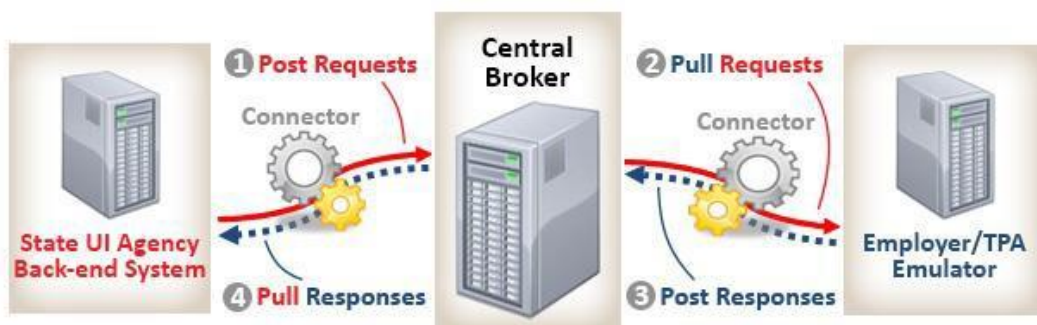*SIDES is especially helpful to employers and TPAs who operate in multiple states.*

The Options

For employers with a limited number of UI claims throughout the year, the **SIDES E-Response** website provides an easy and efficient portal for electronically posting responses to information requests from state agencies. SIDES E-Response is available in participating states to any employer or TPA with internet access.

SIDES provides an integrated, automated data-sharing and file-tracking interface between employers' IT systems and state agency networks. SIDES is designed to handle high volume UI information requests.

SIDES and SIDES E-Response Fact Sheet

Both SIDES and SIDES E-Response are completely *free of charge* for employers and TPAs, although there will be internal IT system integration costs for SIDES. To protect the highly sensitive data being exchanged, both options have multiple layers of security implemented to the highest standards.

The Benefits

As of March 2018, 47 states are using SIDES and SIDES E-Response.

In addition to offering significant administrative cost savings, both SIDES and SIDES E-Response address two of the largest causes of UI overpayments: incorrect initial eligibility decisions (job separation issues) and working while receiving UI benefits. For fiscal year 2015, the USDOL estimates that 10.3 percent of the $32.9 billion in UI benefits were paid improperly.

UI overpayments negatively impact employers' bottom lines. **Many overpayments can be prevented by receiving timely and accurate information using SIDES or SIDES E-Response.**

SIDES and SIDES E-Response

- Save time and money
- Provided for FREE
- Reduce staff time
- Reduce paperwork
- Reduce overpayments
- Help keep UI tax rates as low as possible
- Provide an electronic, nationally standardized data format
- Include data checks
- Provide tools for a healthier bottom line
- Reduce follow-up requests and phone calls

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SIDES and SIDES E-Response Frequently Asked Questions

What are SIDES and SIDES E-Response?

Developed through a strategic partnership between the U.S. Department of Labor (USDOL) and state unemployment insurance (UI) agencies, the State Information Data Exchange System (SIDES) and SIDES E-Response offer employers and third-party administrators (TPAs) a **secure, electronic and nationally-standardized format** to better anticipate and supply the data needed for **responding to UI information requests. FREE OF CHARGE!**

What are the differences between SIDES and SIDES E-Response?

SIDES E-Response is a website that provides an easy and efficient way to respond to UI information requests from state UI agencies.

SIDES is a more automated data-exchange interface between employers' IT systems and SIDES. It is designed for employers and TPAs who typically deal with more than 30 UI information requests per week or those operating in multiple states.

What kind of information is exchanged through SIDES and SIDES E-Response?

UI information related to job separation, earnings verification as well as monetary and potential UI benefit charges.

What are the benefits of using SIDES or SIDES E-Response?

SIDES and SIDES E-Response give employers and TPAs an electronic way to simplify and streamline responses to UI information requests, saving time, staff time, and money by:

- Eliminating delays related to paper mail delivery
- Allowing more time to gather information and respond timely
- Ensuring more complete information is provided through standard edits, validations and business rules,
- Reducing paper handling and postage costs
- Reducing follow-up phone calls
- Streamlining UI response processes

As a result, improper payments are prevented, and employer **UI tax rates are kept as low as possible**.

Who administers SIDES and SIDES E-Response?

SIDES and SIDES E-Response are administered by participating state UI agencies.

What are the requirements to use SIDES and SIDES E-Response?

SIDES E-Response requires only a working internet connection and an employee who will enter the needed information.

SIDES requires programming to connect an employer's or TPA's internal IT system to the SIDES central broker.

SIDES and SIDES E-Response
Frequently Asked Questions

How much does it cost to integrate an employer's or TPA's IT system with SIDES?

Employers and TPAs will need to assess the cost of integrating their IT system with SIDES. The cost will depend on an employer's or TPA's existing system design. SIDES was developed using open source design and follows industry standards.

How much does it cost to use SIDES and SIDES E-Response?

Both systems are offered **free of charge** to employers and TPAs, although there will be internal IT system development costs to integrate SIDES.

How secure are SIDES and SIDES E-Response?

Both SIDES and SIDES E-Response have multiple layers of security. SIDES E-Response uses secure communication protocols, and SIDES requires authentication certificates and uses encrypted records and files. The highest standard of security is important given the sensitive data exchanged between state UI agencies and employers and TPAs.

Which states have adopted SIDES and SIDES E-Response?

As of March 2018, 47 states are using SIDES and SIDES E-Response. To find out if your state is participating, please visit **http://info.uisides.org**.

What UI system was in place before SIDES and SIDES E-Response?

Before SIDES and SIDES E-Response, state UI agencies requested information from employers and TPAs via a slow, manual, paper-based mail process or fax machine.

What are the main causes of UI overpayments?

The two largest causes of UI overpayments are **incorrect initial eligibility decisions** (job separation issues) and **working while receiving UI benefits**. Many UI overpayments, which could be prevented by receiving timely and accurate information, negatively impact employers' bottom lines. In fiscal year 2015, the UI system paid $32.9 billion in federal and state UI benefits. The USDOL estimates that 10.3 percent of these benefits were paid improperly.

Are SIDES and SIDES E-Response expected to reduce UI overpayments?

Yes. Both options have the potential to reduce UI overpayments while improving the UI information exchange process.

How does an employer or TPA determine which option is best suited for its business?

SIDES E-Response is best suited for employers or TPAs with a limited number of annual UI claims. It requires only a working internet connection and an employee who will enter the needed information. SIDES is best suited for larger employers facing many potential UI claims throughout the year. It provides a more automated data exchange interface between employers' and TPAs' IT systems and state agency networks.

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Or visit the IDES SIDES website at www.ides.illinois.gov/SIDES

SIDES E-Response Fact Sheet

Developed through a strategic partnership between the U.S. Department of Labor and state unemployment insurance (UI) agencies, the National Association of State Workforce Agencies' (NASWA) SIDES E-Response website is accessible *free of charge* to any employer or third-party administrator (TPA) with internet access. SIDES E-Response provides a **nationally-standardized format**, in which employers and TPAs can easily respond to UI information requests, **attach documentation** when needed, and receive a **date-stamped confirmation** of receipt.

As of March 2018, 47 states are using SIDES and SIDES E-Response.

Employers and TPAs who use SIDES E-Response are better able to:

- Anticipate and supply the data needed for UI information requests;
- Prevent improper payments;
- Reduce follow-up phone calls and paper work; and,
- And streamline UI response processes ultimately saving time and money.

Given the sensitive data exchanged between state UI agencies and employers and TPAs, SIDES has multiple layers of security and uses secure communication protocols.

How it Works	SIDES E-Response is a free website through which employers and TPAs may submit electronic responses to UI information requests.
	Employers and TPAs participating in SIDES E-Response will receive a request for UI information from the participating state UI agency by mail or secure email. The request will include a PIN that permits the employer or TPA to log on to SIDES E-Response and enter the requested information in a standard format.
What it Requires	SIDES E-Response only requires a working internet connection and an employee who will enter the requested UI information. There is **no cost** to use SIDES E-Response.
Best Suited For	SIDES E-Response is ideal for employers and TPAs with a limited number of UI claims. No programming is required.

Using SIDES E-Response

Because information needs to be entered manually, SIDES E-Response is designed for employers and TPAs that receive a limited number of UI information requests.

SIDES E-Response uses business rules, edit checks, and validations to reduce follow-up calls and paper work, saving both the employer and the state valuable time and effort.

Additional information is available at **http://info.uisides.org**.

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SIDES Fact Sheet

Overview

Developed through a strategic partnership between the U.S. Department of Labor (USDOL) and state unemployment insurance (UI) agencies, the National Association of State Workforce Agencies (NASWA) SIDES program is an integrated computer-to-computer interface designed for employers and third-party administrators (TPAs) who typically deal with a **large volume of UI information requests**. SIDES is especially helpful to those employers and TPAs who **operate in multiple states**.

SIDES provides a **nationally-standardized format** in which employers and TPAs can receive and easily respond to UI information requests, **attach documentation** when needed and receive a **date-stamped confirmation** of receipt.

As of March 2018, 47 states are using SIDES and SIDES E-Response.

Employers and TPAs who use SIDES are better able to:

- anticipate and supply the data needed for UI information requests;
- reduce follow-up phone calls;
- help prevent payments to those who don't meet eligibility requirements;
- eliminate unnecessary appeals; and
- streamline UI response processes, which reduces paperwork while saving time and money.

Given the sensitive data exchanged between state UI agencies and employers and TPAs, SIDES has **multiple layers of security** that require authentication certificates and encrypted records and files.

SIDES is available *free of charge*, although there will be internal IT system development costs to integrate with SIDES.

How it Works	UI information requests from participating states as well as the responses from employers and TPAs are all in the same standard format.
	SIDES produces performance metrics and provides audit controls.
What it Requires	Employers and TPAs need to develop software to connect their internal IT systems to the SIDES Central Broker, which routes requests and responses to the appropriate recipient.
	SIDES was developed using the open design and following industry standards. However, each employer and/or TPA system is unique, and integrating SIDES will entail changes to current IT systems and processes.
	Detailed technical information is available at http://info.uisides.org.
Best Suited For	SIDES is best suited for employers and TPAs who typically deal with a large volume of UI information requests. While SIDES requires more up-front integration resources, it has the potential to streamline the UI response process, reducing paperwork while saving time and money.
	Employers and TPAs who implement a direct interface with SIDES may wish to use the SIDES E-Response website in the interim while they complete interface programming.

SIDES Fact Sheet

Using SIDES

Once fully integrated, SIDES allows for a secure electronic information exchange between employers and TPAs and a state UI agency. SIDES uses business rules, edit checks and validations that will reduce follow-up calls and paperwork, saving both the employer and the state valuable time and effort. The SIDES team provides written implementation and developers' guides, model software for connecting to the Central Broker, and in-person training to integrate SIDES.
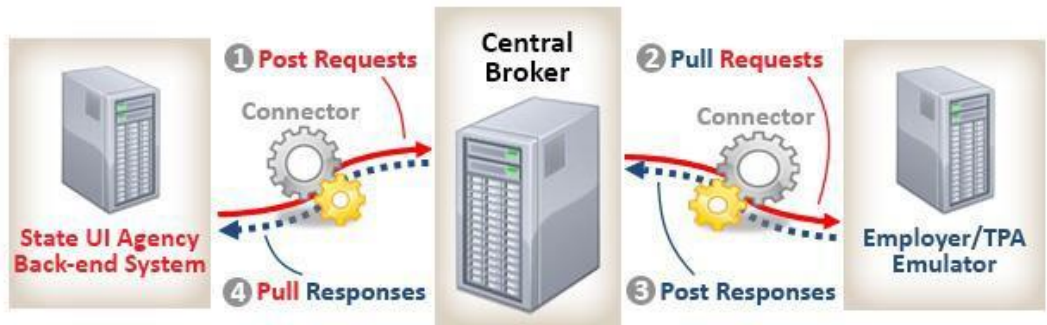
Resources and Support

The SIDES Team provides support and guidance to employers and TPAs interested in SIDES. Several times a year, NASWA offers in-person SIDES training on request. In addition, the SIDES Team provides resources, such as the Concept of Operations and Implementation Guide, Developers' Guide, and model software for connecting to the Central Broker. Technical staff is also available to answer questions during the integration development process. Additional information is available at http://info.uisides.org.

In Their Own Words

"The online form is a breeze to complete… you can move backwards and forwards and save as you go along. It's far easier than the manual system ever was – no more filling in the tiny little boxes.

Paper reporting of unemployment claims is inefficient; using the online system is efficient, it saves time, it saves money, and that is money that can be put to better purposes."

Laura Pavalis, Director of Human Resources for CFO Systems in Omaha, NE

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